

### असाधारण

## **EXTRAORDINARY**

भाग 2 — खण्ड 2 PART II — Section 2

ARI II — Section 2 प्राधिकार से प्रकाशित

# PUBLISHED BY AUTHORITY

सं॰ 35]

नई दिल्ली, सोमवार, अगस्त 27, 2001 / भाद्र 5, 1923

No. 35]

NEW DELHI, MONDAY, AUGUST 27, 2001 / BHADRA 5, 1923

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके। Separate paging is given to this Part in order that it may be filed as a separate compilation.

## **RAJYA SABHA**

The following Bill was introduced in the Rajya Sabha on the 27th August, 2001.

BILL No. LV of 2001

A Bill further to amend the Inland Waterways Authority of India Act, 1985.

BE it enacted by Parliament in the Fifty-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Inland Waterways Authority of India (Amendment) Act, 2001.

Short title and commencement.

- (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.
- 2. In the Inland Waterways Authority of India Act, 1985 (hereinafter referred to as the principal Act,) in section 3, for sub-section (3), the following sub-section shall be substituted, namely:—

Amendment of section 3.

- "(3) The Authority shall consist of the following members, namely:—
  - (a) a Chairman;
  - (b) a Vice-Chairman;
  - (c) not more than three full-time members; and
  - (d) not more than three part-time members,

to be appointed by the Central Government by notification in the Official Gazette.".

82 of 1985.

Insertion of new section 4A.

3. After section 4 of the principal Act, the following section shall be inserted, namely:—

Disqualifications for appointment as member.

- "4A. A person shall be disqualified for being appointed as a member, if he-
- (a) has been convicted and sentenced to imprisonment for an offence which, in the opinion of the Central Government, involves moral turpitude; or
  - (b) is an undischarged insolvent; or
  - (c) is of unsound mind and stands so declared by a competent court; or
- (d) has been removed or dismissed from the service of the Government or a company owned or controlled by the Government; or
- (e) has, in the opinion of the Central Government, such financial or other interest in the Authority as is likely to affect prejudicially the discharge by him of his functions as a member.".

Insertion of new section 5A.

4. After section 5 of the principal Act, the following section shall be inserted, namely:—

Meetings.

- "5A. (1) The Authority shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings, including the quorum thereat, as may be provided by regulations.
- (2) The Chairman or in his absence, the Vice-Chairman, or in the absence of both, such other member as is chosen by the members present at the meeting of the Authority shall preside at the meeting.
- (3) All questions which come up before any meeting of the Authority shall be decided by a majority of votes of the members present and voting, and in the event of an equality of votes, the Chairman or in his absence, the Vice-Chairman, or in the absence of both, the person presiding, shall have and exercise a second or casting vote.".

Amendment of section 14.

- 5. In section 14 of the principal Act, in sub-section (1), after clause (j), the following clause shall be inserted, namely:—
  - "(k) enter into joint ventures concerning inland shipping by way of equity participation.".

Insertion of new section 18A.

6. After section 18 of the principal Act, the following section shall be inserted, namely:—

Borrowing powers of the Authority.

"18A. The Authority may, in such manner and subject to such terms and conditions as may be determined by regulations, borrow money from any source by the issue of bonds, debentures or other instruments as it may think fit for discharge of all or any of its functions under the Act.".

Amendment of section 35.

- 7. In section 35 of the principal Act, in sub-section (2), after clause (j), the following clauses shall be inserted, namely:—
  - "(k) the terms and conditions for issue of bonds, debentures or other instruments;
  - (l) the time, place and the rules of procedure with regard to the transaction of business at its meetings including the quorum under sub-section (l) of section 5A.".

### STATEMENT OF OBJECTS AND REASONS

Inland Water Transport as a mode of transportation is eco-friendly, economically viable and fuel-efficient, India has over 14,500 kms. of navigable water out of which 5,700 kms. are navigable by mechanized vessels. Inspite of these advantages, Inland Water Transport (IWT) has not developed to its full potential in comparison to the other modes of transport. The main constraints, which affect smooth development of IWT are insufficient water depth of major rivers due to soil erosion, non-availability of adequate navigational aids, inadequate cargo support, inadequate terminal facilities and insufficient number of inland vessels.

- 2. The problems of the Inland Water Transport were studied in the past by several Committees. These committees considered the difficulties and problems of river transport and made various suggestions and recommendations for the improvement of the IWT system. As a follow up action, Inland Waterways Authority of India (IWAI) was set up in 1986 under the Inland Waterways Authority of India Act, 1985 for the regulation and development of inland waterways for purposes of shipping and navigation in the country. Three important waterways, viz., the Ganga-Bhagirathi-Hooghly River System (Allahabad to Haldia, 1,620 kms.) as National Waterway No. 1, the Brahmaputra (Dhubri-Sadiya, 891 kms.) as National Waterway No. 2 and West-Coast Canal (Kottapuram to Kollam along with Champakara and Udyogmandal canals, 205 kms.) as National Waterway No. 3, have come into existence. However, the desired break through in establishing the inland waterways as an effective mode of transport could not be fully achieved due to financial constraints. Accordingly, as a long term strategy, to ensure all-round development of IWT, the Central Government has decided to take, inter alia, following steps, namely:—
- (a) to empower IWAI to raise bonds to enable it to borrow money from the market as in the case of other infrastructure sectors;
- (b) to enlarge the role of IWAI to enter into joint ventures to encourage investment in this sector, financial investment of the Government being limited to equity participation. However, additional concessions in the form of grants, subsidies and other expenditure for development of infrastructure will not be within the scope of joint venture projects;
- (c) framing of policy guidelines for private sector participation subject to actual capital subsidy not exceeding 40 per cent. for Build, Operate and Transfer (BOT) projects being worked out on case to case basis in consultation with the Planning Commission. The private sector participation has been envisaged in the areas of ownership and operations of Inland Water Transport fleet, construction and operation of river terminals, mechanized cargo handling, fairway development including dredging, provison and maintenance of navigational aids, pilotage services, etc.
- 3. With a view to facilitating the sustained development of the IWT Sector, it has become necessary to make suitable provisions for giving effect to the above-said decisions by, inter alia, amending the Inland Waterways Authority of India Act, 1985 as under:—
  - (i) giving statutory status to the IWAI so as to empower it to borrow and mobilize funds from the market by raising bonds;
  - (ii) enabling IWAI to enter into joint ventures with a view to encouraging investment in this sector;
  - (iii) enabling IWAI to bring in more professionalism by appointing outside professionals as members of the Authority;

- (iv) making provision for regulating the procedure as to the manner in which decisions would be taken in the meetings of the Authority; and
- (v) specifying the qualifications of members of the Authority.
- 4. The Bill seeks to achieve the above objects.

ARUN JAITLEY.

### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 7 of the Bill seeks to empower the Authority to make regulations with the previous approval of the Central Government to provide for the terms and conditions for issue of bonds, debentures or other instruments. It is also proposed to insert a new provision for the purpose of prescribing the time, place and the rules of procedure for transacting business at meetings of the Authority including the quorum in the said meetings under-sub-section (1) of section 5A.

2. The matters in respect of which regulations may be made under clause 7 are essentially matters of detail or procedure. The delegation of legislative power is, therefore, of a normal character.

R.C. TRIPATHI, Secretary-General.